

MINUTE ITEM

11. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 186.1, MONTEREY OIL COMPANY, SEAL BEACH, ORANGE COUNTY - W.O. 3175.

After consideration of Calendar Item 36 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO THE MONTEREY OIL COMPANY, OPERATOR, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 186.1 TO JUNE 15, 1959, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 36 (1 page)

CALENDAR ITEM

36.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 186.1, MONTEREY OIL COMPANY, SEAL BEACH, ORANGE COUNTY - W.G. 3175.

Oil and Gas Lease P.R.C. 186.1, issued September 24, 1945, pursuant to competitive public bidding, in accordance with the provisions of Division 6 of the Public Resources Code, is now held by the Monterey Oil Company and The Texas Company, with Monterey Oil Company designated as operator.

On October 14, 1958 (Minute Item 4, page 4284), the Commission authorized a deferment of drilling requirements to March 15, 1959, in order to minimize the congestion that would occur on the 75-foot-diameter drilling island if drilling operations were continued during the time required for the construction of a wharf to be used in conjunction with a pilot waterflood.

Due to severe storms causing extensive loss of time and damage to work already completed, the wharf construction operations have fallen behind schedule. In addition, it has been necessary to place a production hoist on the island because of particularly difficult well maintenance operations. Efficient drilling operations could not be conducted under the circumstances existing on the island currently.

In view of these circumstances, Monterey Oil Company has requested a further deferment of lease drilling requirements until June 15, 1959.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO THE MONTEREY OIL COMPANY, OPERATOR, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 186.1 TO JUNE 15, 1959, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.